

**UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

**AARON MULVEY
AND CAROLYN MULVEY
Plaintiffs,**

v.

**JOHN MICHAEL TIFFIN; AND
TINA ANDERSON
Defendants.**

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§ **Civil Case No.: 5:21-CV-01210**

Plaintiff's Original Complaint

1. Plaintiffs, Aaron and Carolyn Mulvey, natural persons and who are residents of Comal County, Texas. They presently reside at 5332 Saunter Lane, Bulverde, TX 78163.
2. Defendant Liquid Property Group, LLC is a corporate entity which may be served with process via its registered agent at: Registered Agents, Inc.; 5900 Balcones Drive; Suite 100; Austin, Texas 78731, USA.
3. Defendant John Michael Tiffin may be served by and through his attorney Dakota Wrinkle at 1910 Pacific Avenue, Suite 6030, Dallas, TX 75201 or wherever he may be found.
4. Defendant Tina Anderson may be served by and through his attorney Dakota Wrinkle at 1910 Pacific Avenue, Suite 6030, Dallas, TX 75201 or wherever he may be found.

JURISDICTION



5. Jurisdiction of this court arises pursuant to 28 USC § 1332 as there is complete diversity between the plaintiffs and defendants and the plaintiffs are seeking relief in

excess of \$75,000.00.

6. Venue is proper in this District under 28 U.S.C. § 1391(b) because the property in dispute is located within this district.

FACTS

7. Aaron Mulvey and Carolyn Mulvey entered into a contract with Liquid Property Group, LLC and John Michael Tiffin by tendering \$5,100.00 in escrow to buy land which has groundwater. Exhibit "A." The contract states:

 <p>TREC TEXAS REAL ESTATE COMMISSION</p>	<p>UNIMPROVED PROPERTY CONTRACT NOTICE: Not For Use For Condominium Transactions</p>	 <p>EQUAL HOUSING OPPORTUNITY</p>
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1. PARTIES: The parties to this contract are Liquid Property Group LLC (Seller) and Aaron K Mulvey Carolyn S Mulvey (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot 619, Block _____, Addition, _____, City of Spring Branch, County of Comal, Texas, known as 298 Champions Ridge 78070 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (Property). RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

A. Cash portion of Sales Price payable by Buyer at closing	\$ <u>180000</u>
B. Sum of all financing described in the attached: <input type="checkbox"/> Third Party Financing Addendum, <input type="checkbox"/> Loan Assumption Addendum, <input type="checkbox"/> Seller Financing Addendum	
\$ _____	
C. Sales Price (Sum of A and B)	\$ <u>180000</u>

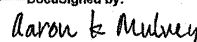
8. The groundwater rights are owned by another party. Specifically, the subdivision's developer previously reserved the water rights. Instrument number 200206021873 of the Official Records of Comal County, Texas states:


CONVEY, unto the said Grantee, the following described property, to-wit:

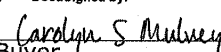
Lot 619, RIVER CROSSING, UNIT THREE, Comal County, Texas, according to plat recorded in Volume 14, Pages 22-26, Map and Plat Records, Comal County, Texas.

Grantor reserves unto itself, its successors and assigns, in perpetuity, all groundwater, being all underground water, percolating water, artesian water and other waters from any and all reservoirs, formations, depths and horizons beneath the surface of the earth, and any and all rights related thereto, in, on, under and that may be produced from the Property. This reservation includes, but is not limited to, existing production or existing leases and includes the production, the lease and all benefits therefrom. Grantor waives and expressly conveys to Grantee all rights of ingress, egress and regress in and to the surface of the Property relating to the reserved water rights.

9. John Michael Tiffin and Tina Anderson committed fraud on and caused a breach of contract with Aaron and Carolyn Mulvey by asserting that land it was selling had groundwater rights. Tina Anderson expressly told the Mulvey's realtor that the Mulveys could "dig a well for water" on the land. John Michael Tiffin, the sole owner of Liquid Property Group, executed the above contract on behalf of Liquid Property Group, LLC and signed in an individual capacity. The signature lines on the contract read as follows:

DocuSigned by:

 Buyer 9/20/2021 | 7:15 AM PDT
 ID: 2A46866041B...

 9/20/21
 Seller

DocuSigned by:

 Buyer 9/16/2021 | 10:43 AM PDT
 ID: 0091AF7A79BD414...

Seller

11. Due to the property's uniqueness, Aaron Mulvey and Carolyn Mulvey, seek specific performance and monetary damages pursuant to paragraph 15 of the contract. It states:

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

10. The Mulveys relied on both Tiffin's and Anderson's representations to their detriment by moving near the property, renting a home for nine months, enrolling their children in schools near the property, and making plans to build a home on the land.

11. The Mulveys have already moved from Dallas and because the property is unique still wish to build a home, and as such Aaron Mulvey and Carolyn Mulvey seek to have the property conveyed and the defendants incur an offset for the value of the groundwater.

12. Still today, Liquid Property Group, LLC and John Michael Tiffin have refused to perform pursuant to the contract. When the Mulveys discovered the began to question the reservation, Tiffin and Anderson remained silent, then denied having knowledge of it, and then refused to reduce the price. When the Mulveys finally sued in state court, the defendants hired an attorney threatened to delay the proceedings through frivolous filings and then acted on those threats.

13. For example, the defendants filed a special appearance on behalf of Liquid Property Group, LLC (A sole member Delaware company) which maintains a registered agent in the State of Texas, along with Tiffin and Anderson whom citations were never issued for and then never set a hearing. In its special appearance, Tiffin and Anderson executed affidavits stating there were not sufficient minimum contacts, despite the property being in Texas and having process 300 real estate transactions through Liquid Property Group, LLC in the last 18 months in the State of Texas.

14. Simply put, Tina Anderson and Michael Tiffin don't appear to phased by their actions. As such, the Mulvey's require this court's intervention through the below causes of action and request relief pursuant to the law and contract.

CAUSES OF ACTION

BREACH OF CONTRACT

25. Each of the acts as described above establish breach of contract in that (1) There was a valid and existing contract; (2) the defendants did not perform pursuant to that contract; (3) as such, the defendants failed to perform pursuant to the contract; (4) the plaintiffs were damaged as a result of the contract.

FRAUD

26. Each of the acts as described above establish both common law fraud, statutory fraud in that the defendants made (1) representations of fact that were false and material that; (2) and had knowledge that their representations were false or ignorant of the truth; that the defendants (3) intended the Plaintiffs act the defendants misrepresentations; and (4) that due the Plaintiff's reliance on the defendants' misrepresentations, the Plaintiffs were damaged.

DAMAGES AND PRAYER

17. WHEREFORE, PREMISES CONSIDERED, the Plaintiffs herein, complains of the Defendants herein and pray that the Defendants be cited to appear and answer and that on a final trial on the merits, the Plaintiffs recovers from the Defendants the following relief:

- 1.) That the defendant be required to specifically perform pursuant to the contract by tendering the property to the plaintiffs;
- 2.) For breach of contract, that the plaintiffs be entitled to regain the benefit of the bargain withheld by either:
 - a.) deducting the fair market value of the plaintiffs damages from the agreed upon price pursuant to the contract; OR
 - b.) requiring the defendants to perform pursuant to the contract by conveying the property to the plaintiffs and proving that the defendants are entitled to a monetary offset from the plaintiffs;
- 3.) For Fraud, the Plaintiffs be entitled to recover both consequential and punitive damages;
- 4.) Together with attorney's fees due to the time the plaintiffs have exhausted in their own pursuit of remedies both pursuant to the contract and for fraud; and
- 5.) Such other and further relief that this court may deem as just and proper.

Respectfully submitted,



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